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Attorneys for Creditor ARB, INC.

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

In re  
PG&E CORPORATION  
and  
PACIFIC GAS AND ELECTRIC  
COMPANY  
Debtors.

Case No. 19-30088 DM (Lead Case)

(Jointly Administered with Case No.  
19-30089 DM)

Chapter 11

**NOTICE OF CONTINUED  
PERFECTION OF MECHANICS LIEN  
PURSUANT TO 11 U.S.C. § 546(b)(2)**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric  
Company  
☒ Affects both Debtors.

[San Mateo County, Document  
No. 2019-005552]

\* All papers shall be filed in the Lead  
Case No. 19-30088 DM.

ARB, Inc. ("ARB"), by and through its undersigned counsel, hereby gives notice of  
continued perfection of its mechanics lien under 11 U.S.C. § 546(b)(2), as follows:

1. ARB is a corporation that has provided and delivered labor, services,  
equipment, and materials for the construction and improvement of projects on real property  
located in the County of San Mateo, State of California (the "Property") and owned by  
PG&E Corporation and/or Pacific Gas and Electric Company (collectively, the "Debtors").

1           2.       Through January 29, 2019 (the “Petition Date”), the amount owing to ARB is  
2 at least \$5,648,337.76, exclusive of accruing interest and other charges, with additional  
3 amounts owed and accrued after the Petition Date.

4           3.       On January 25, 2019, before the Petition Date, ARB properly perfected its  
5 mechanics lien under California Civil Code §§ 8400, *et seq.* by timely recording its  
6 Mechanics Lien (Claim of Lien) in the Official Records of San Mateo County, State of  
7 California, as more fully described in its Mechanics Lien, a true copy of which is attached  
8 hereto as Exhibit A.

9           4.       Pursuant to California Civil Code § 8460, an action to enforce a lien must be  
10 commenced within 90 days after recordation of the claim of lien. However, due to the  
11 automatic stay set forth in 11 U.S.C. § 362, ARB is precluded from filing a state court action  
12 to enforce its mechanics lien. 11 U.S.C. § 546(b)(2) provides that when applicable law  
13 requires seizure of property or commencement of an action to perfect, maintain, or continue  
14 the perfection of an interest in property, and the property has not been seized or an action  
15 has not been commenced before the bankruptcy petition date, then the claimant shall instead  
16 give notice within the time fixed by law for seizing the property or commencing an action.  
17 (See 11 U.S.C. § 546(b)(2); see also In re Baldwin Builders (Village Nurseries v. Gould),  
18 232 B.R. 406, 410-411 (9<sup>th</sup> Cir. 1999); Village Nurseries v. Greenbaum, 101 Cal.App.4<sup>th</sup> 26,  
19 41 (Cal. Ct. App. 2002).)

20           5.       Accordingly, ARB hereby provides notice of its rights as a perfected  
21 lienholder in the Property pursuant to California’s mechanics lien law. ARB is filing and  
22 serving this notice to preserve, perfect, maintain, and continue the perfection of its lien and  
23 its rights in the Property to comply with the requirements of California state law, 11 U.S.C.  
24 §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable law. This notice constitutes  
25 the legal equivalent of having recorded a mechanics lien in the recorder’s office for the  
26 county where the Property is located and then having commenced an action to foreclose the  
27 lien in the proper court. By this notice, the Debtors and other parties in interest are estopped  
28 from claiming that the lawsuit to enforce ARB’s mechanics lien was not timely commenced

1 pursuant to applicable state law. ARB intends to enforce its lien rights to the fullest extent  
2 permitted by applicable law. The interests perfected, maintained, or continued by 11 U.S.C.  
3 § 546(b)(2) extend in and to the proceeds, products, offspring, rents, or profits of the  
4 Property.

5         6.       The filing of this notice shall not be construed as an admission that such filing  
6 is required under the Bankruptcy Code, the California mechanics lien law, or any other  
7 applicable law. In addition, ARB does not make any admission of fact or law, and ARB  
8 asserts that its lien is senior to and effective against entities that may have acquired rights or  
9 interests in the Property previously.

10        7.       The filing of this notice shall not be deemed to be a waiver of ARB's right to  
11 seek relief from the automatic stay to foreclose its mechanics lien and/or a waiver of any  
12 other rights or defenses.

13        8.       ARB reserves all rights, including the right to amend or supplement this  
14 notice.

15  
16 Dated: February 22, 2019

RUTAN & TUCKER, LLP  
ROGER F. FRIEDMAN  
PHILIP J. BLANCHARD

17  
18  
19 By: /s/ Roger F. Friedman  
20 Roger F. Friedman  
21 Attorneys for Creditor ARB, INC.  
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# EXHIBIT A

RECORDING REQUESTED BY AND MAIL TO:

(Name and mailing address, including city, state,  
and ZIP code, of requesting party)

Philip J. Blanchard (State Bar No. 192378)  
RUTAN & TUCKER, LLP  
611 Anton Blvd., Suite 1400  
Costa Mesa, California 92626  
(714) 641-5100

**2019-005552 CONF**

2:25 pm 01/25/19 MLL Fee: 101.00

Count of pages 4

Recorded in Official Records

County of San Mateo

Mark Church

Assessor-County Clerk-Recorder



\* \$ R 0 0 0 2 6 5 6 5 6 6 \$ \*

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

## DOCUMENT TITLE

- ☐ ABSTRACT OF JUDGMENT
- ☐ ACKNOWLEDGMENT OF SATISFACTION OF JUDGMENT
- ☒ OTHER (specify): MECHANICS LIEN

Exhibit A, Page 4

**MECHANICS LIEN  
(CLAIM OF LIEN)**

NOTICE IS HEREBY GIVEN: That, ARB, Inc., 26000 Commercentre Drive, Lake Forest, California 92630 ("Claimant") claims a lien for labor, service, equipment, and/or materials under Section 8400, et seq., of the Civil Code of the State of California, upon the premises hereinafter described, and upon every estate or interest in such structures, improvements and premises held by any party holding any estate or interest therein.

The labor, service, equipment and/or materials were furnished for the construction of those certain buildings, improvements, or structures now upon those certain parcels of land situated in the County of San Mateo, State of California, said land described as follows:

Pipe location by mile point and street location

**R-966 San Mateo -Mile Point: 27.07 – 28.85**

Gas mainlines on Sunnybrae Blvd. & South Amphlett Blvd. and  
Peninsula Ave. & North Amplett Blvd. and  
1080 S Amphlett Blvd.,  
San Mateo, CA

**R-967 Millbrae (0628-194C) – Mile Point: 33.06 – 33.68**

Gas mainlines at 300 Madrone St.,  
Millbrae, CA

The lien is claimed for the following kind of labor, services, equipment and/or materials  
**R-966:** Installation of approximately 1.78 miles (9,331 feet) of 24-inch natural gas transmission pipeline L-101 by direct burial and Horizontal Directional Drilling (HDD), 24-inch mainline valve and burial set, 4-inch valves and taps, cathodic protection, and pipeline markers, and the retirement-in-place of existing 24-inch pipeline between MP 27.07 and MP 28.85 in accordance with the Construction Drawings attached to each sub-project's attachment table as Attachment 01.  
**R-967:** Installation of approximately 0.71 miles (3,764 feet) of 24-inch natural gas transmission pipeline L-101 by direct burial and HDD, approximately 10 feet of 20-inch natural gas transmission pipeline, cathodic protection, and pipeline markers, the removal of internal drip on 30-inch line, and the retirement-in-place of existing 20-inch and 30-inch pipeline between MP 33.06 and MP 33.68 in accordance with the Construction Drawings attached to each sub-project's attachment table as Attachment 01.

The amount due after deducting all just credits and offsets: **\$5,648,337.76**, plus interest.

The name of the person or company to whom claimant furnished labor, services, equipment or materials is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

The owner or reputed owner of said premises is: Pacific Gas and Electric Company, 77 Beale Street, 24th Floor, Mail Code B24W, San Francisco, California 94105.

**NOTICE OF MECHANICS LIEN  
ATTENTION!**

Upon the recording of the enclosed MECHANICS LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek a sale of your property in order to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is released.

**BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS CO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.**

Date: January 24, 2019

Claimant: ARB, Inc.

By: 

John Perisich  
Executive Vice President

**VERIFICATION**

I, John Perisich, the undersigned, state that I am the Executive Vice President of ARB, Inc., the claimant named in the foregoing Mechanics Lien. I have read said Mechanics Lien and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: January 24, 2019

ARB, Inc.

By: 

John Perisich  
Executive Vice President

SEE ATTACHED PROOF OF SERVICE AFFIDAVIT INCORPORATED HEREIN

Exhibit A, Page 6



**PROOF OF SERVICE AFFIDAVIT  
STATE OF CALIFORNIA, COUNTY OF ORANGE**

I am employed in the County of Orange. I am over the age of eighteen years and not a party to the within Mechanics Lien. My business address is 611 Anton Blvd., 14th Floor, Costa Mesa, California 92626.

On January 24, 2019, I served a copy of the enclosed **Mechanics Lien and Notice of Mechanics Lien** on the following person(s) by placing true copies thereof enclosed in sealed envelope(s) and/or package(s) addressed as follows:

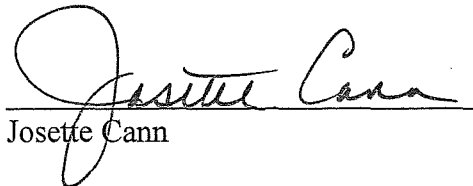
**Owner or Reputed Owner:**

Pacific Gas and Electric Company  
77 Beale Street, 24th Floor  
Mail Code B24W  
San Francisco, California 94105

- ☒ **BY CERTIFIED MAIL and U.S. MAIL:** I am "readily familiar" with the firm's practice of collection and processing correspondence for Certified Mail and First Class U.S. Mail. Under that practice it would be deposited with the U.S. postal service on that same day with postage thereon fully prepaid at Costa Mesa, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on January 24, 2019, at Costa Mesa, California.

  
\_\_\_\_\_  
Josette Cann